TESTIMONY

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Two Years after 9/11: Assessing the State of New York's Recovery

Good Morning, honorable members of Congress, distinguished members of the New York City Council, other eminent guests and my fellow community activists. My name is José Calderón and I am the Assistant Vice President of the Hispanic Federation, a membership organization of 76 Latino nonprofits, which seeks to strengthen, support and develop institutions that advance the quality of life for Latinos in the Tri-State area and beyond. I appear before you to testify about the grave problems that the Hispanic community and other ethnic communities are facing as a result of the economic woes our State is enduring. As most of you know, the social and economic pain New York City suffered during 9/11 continues to reverberate throughout our communities. In fact, recent studies reveal that hundreds of thousands of individuals remain uninsured, unemployed or underemployed, and in need of psychological counseling as a result of the World Trade Center disaster.

September 1th and NYC Economy

Estimates of the impact of the September 11 attack on the New York City economy have ranged from \$20 billion to \$39 billion in lost economic output, and 200,000 lost jobs. Last week, the Fiscal Policy Institute released a report, which highlighted the fact that since March 2001 New York City's job losses have been three times the national rate. According to that report, New York City, which has lost approximately 200,000 jobs since 9/11, has accounted for three-fourths of the job losses statewide. The Fiscal Policy Institute report also found that job losses continued into the first half of this year and that the median hourly wage for New Yorkers in 2003 fell for the first time in three years.

¹ United Way. 2002. Beyond Ground Zero: Challenges and Implications for Human Services in New York City Post September 11

² Fiscal Policy Institute, State of Working New York 2003

Worse yet, "the outlook for job growth in New York City over the short term is not particularly bright," the report concluded.

Impact on Hispanics in New York City

The findings by the Fiscal Policy Institute mirror the Hispanic Federation's 2003 survey results on Hispanic New Yorkers, which revealed the serious impact that the post 9/11 economy has had on the Latino community. Out of the 800 Latino New Yorkers surveyed in the metropolitan area by the Federation, 18% reported losing a job and 15% reported being forced to work fewer hours. That is to say that one out of every three Latinos reported either losing a job or being forced to work fewer hours.

A striking 62% of Latinos surveyed reported that their family's income had fallen behind the cost of living, with only 32% reporting that they were keeping pace with living costs. It is not surprising then that in summer 2003, half of Latino New Yorkers consider jobs/economy/unemployment as the most important problem facing the City today. In 2001, only 19% of Latinos reported jobs/economy/unemployment as *the* top problem in the City.

It should be noted that almost one in four New Yorkers is Latino, making the wellbeing of the Hispanic community inextricably linked with the health and future of New York City.

Continuing social needs and the nonprofit sector

New York City's 2.2 million Hispanics are the largest minority group in the City, representing 41% of its people of color. It is evident that the economic problems faced by New York's Latino community are reflective of the problems faced by other ethnic communities. The World Trade Center attack had a profoundly adverse impact on those victims who lost jobs or had their work hours substantially reduced in traditionally low-wage industries, such as retail, restaurants and hotels. With little or no savings, no insurance, and less capacity to weather any loss of income, these unemployed or underemployed workers were and remain the most vulnerable victims of the September 11th tragedy.

As the major front-line service providers in New York City, nonprofits have been challenged to respond to the calls for help as never before. And they have done an extraordinary job in

providing city residents with health and child care, job training, emergency food and rent assistance, adult literacy education, and many other vital services. Yet, the foreseeable future for many of the City's neediest residents remains grim because budget constraints have seriously curtailed the capacity of the nonprofit sector to provide comprehensive and continuing support to their clients, and reach those individuals and families that remain at the margins of society.

On behalf of the 76 Latino nonprofits that the Hispanic Federation represents, and the countless Hispanic families that they support with vital human and health services, we are here to ask our council members to make a concerted effort, and challenge our state and federal officials, to invest in our social service sector and work on creating a job recovery package that truly targets the continuing needs of our diverse communities. Thank you.

José Calderón

Mr. José Calderón is Assistant Vice President at the Hispanic Federation, a membership organization of 76 Latino health and human services agencies whose mission is to strengthen, support and develop institutions that advance the quality of life for Latinos in the Tri-state area and beyond.

Over the past two years, Mr. Calderón has been responsible for managing the Federation's WTC disaster-relief program, which has provided financial assistance and social service coordination to more than 1200 adults and children, providing for their basic food, housing, and other emergency needs. Ms. Calderón also oversees the Federation's numerous community programs and advocacy efforts.

Before working at the Federation, Mr. Calderón worked as the senior Latin American researcher at World Education Services, a not-for-profit organization involved in international education.

Mr. Calderon has a Bachelor of Arts from Hunter College and holds a Master's degree and an advanced graduate diploma in Latin American Studies from St. John's University.